

**ALABAMA MEDICAID AGENCY
PHYSICIANS' TASK FORCE MEETING
September 29, 2011
4TH FLOOR BOARDROOM
1:00 p.m. - 3:00 p.m.**

Members Present:

Robert H. Moon, R. Bob Mullins, Jr., Steven Israel (phone), Harper Wood (phone), Cary Kuhlmann (phone), Eddie Finn (phone), Steve Baldwin (phone), Tom Rigsby, Linda Lee, Richard Carson, Jeff Arrington, Grace Thomas, Robert Smith, Marsha Raulerson, Jerry McKnight, Sandral Hullett, and Theresa McCarty-Sayer.

Medicaid Staff Present:

Henry Davis, Leigh Ann Hixon, Trena Blair-Edwards, Cyndi Crockett (HP), Kathy Hall, Kelli Littlejohn, Chris McInnish, Nancy Headley, Mary Timmerman, Jerri Jackson, Jacquelyn King, Toni Hopgood, Elizabeth Connor, Gary Parker, Ron Macksoud and Will Whatley

Welcome Review of Minutes:

Dr. Moon welcomed everyone and thanked them for their attendance. The minutes from the last meeting were accepted with no changes.

Updates by Commissioner Mullins:

Commissioner Mullins reiterated his appreciation for input and suggestions from the group. He then addressed the 2012 budget which was passed by the Legislature in June and indicated the budget process for 2013 has started, noting there will be a shortfall of approximately \$150 - \$300 million dollars for FY 2013. He also stated that during the 2013 and 2014 budgets, Primary Care Providers will be paid at 100% of the Medicare level because of the Affordable Care Act, which will help with Medicaid's budget. He expressed his excitement regarding several Agency projects, including the Patient Care Networks of Alabama (PCNA) and the Pharmacy projects where there could be substantial savings realized for the Agency. An update was given on an issue presented to him by Richard Carson and Bill Blythe regarding expensive equipment such as cochlear implants. These costs are reimbursed to the hospitals and are shown in cost reports at the end of the year. These costs do not show as a line item reimbursement and may take a year or two to show in the cost report. Mention was made of the realignment of Agency staff where current staff is being placed in positions to accommodate the current work needs of the Agency.

New Business/Topics of Discussion

Legislative Update by Henry Davis

- The Country and the State are being faced with challenging times. Congress has created a super-committee to cut cost by \$1.2 trillion by Thanksgiving. Congress is out and will return October 3rd. Congress is looking at managed care where there is a lot of cost savings involved.
- Henry and the Commissioner have been visiting the leadership on the House and Senate sides of the Legislature to update and educate them on Medicaid.

Pharmacy Update by Kelli Littlejohn:

- Kelli discussed the issue of how IUDs and other implants are billed to the Agency. Effective January 1, 2012, the Agency will implement a policy change which will allow these type products to be billed to the Agency on a medical claim only and will remove the specialty pharmacies from the process. Kelli thanked the committee for their input and comments.
- There have been several legislative mandates to go into effect October 2011, one of which is moving from the 5 brand name drugs per month for adults to 4 brand name drugs per month for

adults. This is not applicable to certain drug classes such as antipsychotics and antiretrovirals for HIV. Children and long term care recipients are excluded.

- October 3, 2011 the Agency will implement an electronic prior authorization process for antipsychotics. The Agency worked with Mental Health and other stakeholders throughout the state to develop criteria for this electronic prior authorization process. Kelli gave an overview of how the process will work. Criteria have been posted on Medicaid's website. Medicaid will not be policing the process, but will start with attestations for children to ensure that someone is monitoring the child for certain metabolic abnormalities.
- The committee was asked to submit any questions by e-mail to her or Dr. Moon and was ensured a timely response.

MedSolutions Update by Theresa McCarthy-Sayer:

- This program was designed with physicians input and the Third Party Task Force and has been in operation for almost 2 years.
- Theresa presented statistical information that supported approximately \$17.5 million dollars in savings for the Agency over the last two years. There has been a 36% reduction in utilization which is how the \$17.5 million dollars in savings was calculated. For every \$1 spent by the Agency, there was a \$5 saving. A copy of the presentation was included in the packet for review.

Patient 1st Update by Chris McInnish:

- Presented a breakdown of numbers for the Patient 1st Program. There are currently 553,603 recipients enrolled in the Patient 1st program, 47% blacks, 42% whites, 7% Hispanics and 4% others. These recipients are served by 1005 PMPs. The average panel size is 551; the median panel size is 282. There are 130 panels of 25 or less recipients and 158 panels that are 1000 or greater recipients.
- The Patient Care Networks response has been greater than expected. A total 86,280 of the Patient 1st recipients are now a part of the Patient Care Networks.
- Chris discussed the issues of the referral process. The Agency is trying to look at this in a holistic manner and we don't want a solution that causes more problems and doesn't work.

Workforce/Care Networks/Unified Quality Metrics Update by Dr. Robert Moon:

- Medicaid anticipates an estimated increase of about 500,000 new recipients and the need for 1000 primary care physicians. Based on a physician survey, the primary reasons physicians are not willing to accept Medicaid is money, missed appointments, and recipient compliance.
- Dr. Moon gave an overview of the Patient Care Networks. This network proposal is physician driven in terms of how it operates and what it does. There has been positive feedback so far and is seen as a viable alternative to managed and unmanaged care. He firmly believes physicians leading quality based initiatives is one of the best ways to go.
- We are currently working on a unified quality metrics set with Blue Cross/Blue Shield and the All Kids Program. The goal is to get all of the agencies to where they are measuring the same and not using 3 different sets of measurement.

HIE and Meaningful Use Update Gary Parker:

- Introduced himself to the committee and gave his educational background and work experience.
- The contract with Thomas-Reuters was approved by LCRC and signed by Governor Bentley.
- Kim Davis-Allen retired and Dr. Dan Roach was named the State HIE Coordinator for Alabama.
- A breakdown of the HIE organizational structure was presented. The information health exchange should be live April 2012. There will be 30, 60, 90, 120 day work plans in order to meet this dead line.
- The objectives of the HIE Readiness Assessment are to identify at least seven early adopters and possible Gateway pilot sites and to identify where providers are situated on the health information technology maturity spectrum, a long term schedule of implementation and connectivity can be developed. The importance of providers filling out the assessment, which is available at www.onehealthrecord.alabama.gov was stressed.
- The Meaningful Use payment status was also presented.

- Janice Miles is the new Meaningful Use Coordinator.

HP Update Cyndi Crockett:

- HP is working on implementing the changes necessary for the 5010 file layouts. This is a new file layout that providers will be using to submit claims to all health care payers electronically. January 1, 2012 is the effective date for providers to start using the 5010 transaction format. Testing is currently being done by HP staff. It was suggested that providers check with their software vendors to make sure that they will be ready for the changes.
- HP will be implementing two new interactive web portals. One web portal is for Medicaid recipients (MyMedicaid) which will allow recipients to go online to make changes and apply for Medicaid. The other web portal is for providers and they will be mandated to use this web portal for enrollment. Providers will also use this web portal to make changes.
- All providers are mandated to re-enroll with Medicaid every 5 years with the exception of home health and DME providers who will have to re-enroll every year. The plan is the re-enroll 20% each year starting with the providers that have been enrolled the longest. Providers will be contacted when it is time to re-enroll.

Eligibility Update by Elizabeth Connor for Gretel Felton:

- Elizabeth explained the MyMedicaid web portal is an attempt to give the recipients another way to report changes to Medicaid. The recipients will still have the options of calling or going into the office to make or report changes. The Medicaid customer service centers are where we are to centralize our application and eligibility determination process. The out stationed workers will not be pulled from all health departments and rural areas should not be affected.
- Work is being done to create an electronic case file. The ultimate goal is the have all of the mail come into to a central imaging unit and then be sent out electronically to the areas where they will be worked.
- An update was given on the Health Insurance Exchange. The Department of Insurance has contracted with LMI to help create what is necessary for the exchange. A study commission was created and will report to the Governor at the end of the year.
- The Express Lane eligibility is a piggy-back eligibility process whereby verification will be done by using what is in DHR's system if the applicant's income has already been verified.

Recommendations from Members:

- Have fewer topics during the next meeting.
- The committee would like an update on the Patient Care Networks.
- Have an update on Pharmacy PA's and antipsychotics.
- Other updates can be included in packets for review.

Closing of Meeting – Dr. Moon:

- Recruiting for another Medical Director.
- The **next meeting** will be scheduled **Wednesday, December 7th** from 1p.m. to 3p.m. Please send new topics at least 2 weeks in advance to leighann.hixon@medicaid.alabama.gov.



Robert Moon, M.D., Medical Director
Deputy Commissioner, Health Systems

11-21-11

Date

RM/tbe